



ROBERT L. EHRLICH, JR.
GOVERNOR

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Governor Ehrlich Announces \$309.7 Million FY '04 Surplus
Substantial Structural Deficit Remains

Governor Robert L. Ehrlich, Jr., today announced that Maryland has ended Fiscal Year 2004 with a General Fund surplus of \$309.7 million. Governor Ehrlich noted that although the surplus will be helpful in addressing the State's deficit for FY 2006, the State continues to be burdened by a substantial structural deficit. As recently as June, the Maryland Department of Legislative Services estimated deficits of \$1.062 billion for FY 2006 and \$1.466 billion for FY 2007.

"My Administration remains committed to maintaining the level of excellence our taxpayers expect and our children deserve," said Governor Ehrlich. "Maryland Government must continue to work diligently and cautiously to ensure that we spend within our means." Governor Ehrlich added, "I am especially proud of the additional \$12 million that State agencies, through prudent management, left unspent and returned to the General Fund."

During Fiscal Year 2004 the State collected \$10.25 billion in General Fund revenues, which represent a \$261 million (2.6%) increase over the amount previously estimated. In addition, major revenue sources - mostly income and sales tax - contributed two-thirds of the additional revenue. Lottery and death taxes, reversions that exceeded estimates by \$12 million from State agencies in unspent funds, also contributed to the additional revenue.